

## **REMARKS**

Claims 1-8 were presented for examination and were pending in this application. In the latest Office Action, claims 1-8 were rejected. With this amendment, claim 1 is amended. On the basis of the following remarks, consideration of this application and allowance of all pending claims are requested.

Claims 1, 3-6 and 8 were rejected as being anticipated by U.S. Patent No. 6,542,511 to Livermore et al.; claim 2 was rejected as being made obvious by Livermore in view of U.S. Patent No. 6,246,692 to Dai et al.; and claim 7 was rejected as made obvious by Livermore in view of U.S. Patent No. 6,631,128 to Lemieux. Applicant respectfully traverses this rejection.

The claims (as amended) recite a network system comprising a set of nodes with variable capacity connections transporting data from the source nodes to the destination nodes of the network. In the claimed network system, the destination nodes of the connections directly and exclusively control the capacities of the connections according to the data traffic loads of the connections. Livermore does not disclose (or suggest, in combination with Dai or Lemieux) the claimed network system for a number of reasons, at least some of which are provided below.

“the capacity of each connection controlled directly and exclusively from its destination node”

Claim 1 recites that the capacity of each connection configured to transport data from its source node to its destination node within the network system is controlled directly and exclusively by its destination node. As explained in the previous Office Action responses, the prior art, including Livermore, does not disclose a network system in which the capacity of each connection is controlled exclusively from its destination node.

Claims 1, 3-6, and 8 are therefore novel and patentable over prior art, including Livermore. Moreover, because Livermore was applied to claims 2 and 7 in the same way as it was applied to claims 1, 3-6, and 8, and Dai and Lemieux were applied only for the additional dependent limitations found in claims 2 and 7, respectively, claims 2 and 7 are patentable over the cited references for at least the same reasons provided above.

Based on the foregoing, the application is in condition for allowance of all claims, and a Notice of Allowance is respectfully requested. If the examiner believes for any reason direct contact would help advance the prosecution of this case to allowance, the examiner is encouraged to telephone the undersigned at the number given below.

Respectfully submitted,  
MARK SANDSTROM

Dated: October 31, 2007

By: /Robert A. Hulse/

Robert A. Hulse, Reg. No. 48,473  
Attorney for Applicant  
Fenwick & West LLP  
801 California Street  
Mountain View, CA 94041  
Tel.: (415) 875-2444  
Fax: (415) 281-1350